World Bank observations on approach to financial reforms by the Government of India

327. SHRI MURLIDHAR CHANDRAKANT BHANDARE:

SHRI BEKAL UTSAHI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that World Bank team, while expressing happiness over the speedy reforms in trade and industry, expressed their displeasure over the so-called half hearted approach of Government on reforms in financial sector; and

(b) if so, in what precise circumstances such observations were made and what were their precise comments; and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) Only preliminary discussions with the World Bank team have been held so far for a possible structural Adjustment loan which includes reforms in trade, industrial policy, public enterprises and financial sector. As such question of (a) & (b) does not arise at this stage.

Hike in Lending Deposit Rates

328. SHRI MURLIDHAR CHANDRAKANT BHANDARE:

SHRI BEKAL UTSAHI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have lately hiked the lending deposit rates, with a view to curbing imports reducing demand and rectifying the balance of payments;

(b) if so, the precise decision taken in the matter; and

(c) the reaction of the trade and industry thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) No, Sir.

(b) Does not arise.

(c) Does not arise.

New programme on Aids Control

329. SHRI MURLIDHAR CHANDRAKANT BHANDARE:

SHRI BEKAL UTSAHI:

SHRI SHAMIM HASHMI:

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether any new AIDS prevention and control programme has been launched or is being pursued by the Government; and

(b) if so, what are the details thereof, indicating also the financial provisions made therefor during 1991-92?

THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND FAMILY WELFARE (SMT. D. K. THARADEVI SIDDHARTHA): (a) and (b) The National AIDS Control Programme was started in 1987. The Programme has been supported by the external fusding agencies such as WHO and USAID also. The activities undertaken so far include:—

— organising a surveilance system for determining the prevalence and infectivity trends in groups practising high risk behaviour.

— promoting safety of blood and blood products by establishing testing facilities for screening blood in blood banks on a zonal basis.

— health education.

— formulation of guidelines for hospital infection control.

— strengthening of 13 regional hospitals and training of clinicians and para-medical staff in diagnosis and management of HIV infected patients

— implementing focussed activity plans in States/UTs where a relatively large number of HIV infected persons have been detected on the basis of surveillance.

A provision of Rs. 4.00 crores has been made in the Budget during 1991-92, for the National AIDS Control Programme.

Public sector undertakings facing foreign exchange crunch

330. SHRI MURLIDHAR CHANDRAKANT BHANDARE:

Will the Minister of FINANCE be pleased to state:

(a) whether as stated in the Indian Express of july 1. 1991 different Public Sector Undertakings are facing grave foreign exchange crunch;

(b) if so, the total amount of foreign ex-change required by them to meet their immediate requirement to pay off their liablity, as on July 1, 1991 and the estimated amount of foreign exchange required by them during rest of the year 1991-92 and that likely to be earned by them during the period; and

(c) the provision of foreign exchange set apart for the purpose under 1991-92 budget?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes Sir. A number of Undertakings in both Public, and Private Sectors are having foreign exchange crunch, but the names of Public Undertakings appearing in the news items are Minerals and Metals Trading Corporation (MMTC), State Trading Corporation (STC) and Indian Oil Corporation (IOC).

(b) Since all contractual obligations to the bankers and suppliers in terms of foreign exchange are being met there was no outstanding requirement of foreign exchange to pay the liability of the Public Sector Undertakings as on July 1, 1991. The amount of foreign exchange required by the enterprises in the year 1991-92 will depend on the imports undertaken and the pettern of financing of foreign exchange requirements for such imports. Similarly, the foreign exchange to be earned by the Undertakings would depend on the export orders and the pattern of receipts of earnings from such exports.

(c) Foreign exchange is being released from time to time during the year 1991-92 to the Undertakings keeping in view a number of factors such as, assessment of demand and supply position of the different canalised commodities, the changes in trade policy and the availability of foreign exchange resources.

Proposal to Change the NORMS from Valuation for levy of Wealth tax

331. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to change the valuation norms for the levy of wealth tax on closely held investment companies;

(b) whether any demand has also been made in this regard;

(c) if so, the reaction of the Central Government thereto; and

(d) by when a decision in this regard is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (d) Number of representations have been received against the proposal to change the method of valuation of unquoted shares of investment companies for the purposes of levy of wealth-tax. The matter is under consideration.